



October 18, 2004



One AMD Place
P.O. Box 3453
Sunnyvale, CA 94088-3453
Tel (408) 732-2400

Honorable Mayor Howe
Members of the City Council
City of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94088

Re: AMD - Duane Avenue Site

Dear Honorable Mayor Howe:

Attached is AMD's letter requesting the City Council's approval to initiate a General Plan Amendment from Industrial to Residential zoning for our vacant site located on Duane Avenue. We recently completed a comprehensive review of facilities needs at our headquarters in Sunnyvale. We have concluded that our long-term requirements can be met within the existing building inventory. Specifically, we concluded that the useful life and capability of our Submicron Development Center (SDC), at 915 DeGuigne, could be significantly extended through capital investment in process tools and infrastructure within the existing building structure. Therefore, AMD no longer has a need to retain vacant land for expansion.

After due consideration, we believe that the change in zoning to residential use will not only enable AMD to realize the highest economic value for the property, but will also allow us to reinvest in facility upgrades, such as the SDC retooling, that are critical to AMD's continued competitiveness and future success. Understanding also that housing availability is an on-going concern for not only AMD, but also for the overall health of our local economy, we believe that conversion of this land to residential use will help address a systemic problem we are all facing. As you know, AMD has a tradition of strong community and neighborhood support, particularly in those neighborhoods that currently border our campus. Be assured that AMD will continue to engage with our community partners to address the critical issues and needs in our community.

We have selected The Riding Group for the development of our property and have authorized them to proceed with the formal application process with the City of Sunnyvale. AMD looks forward to working with the City of Sunnyvale on this great opportunity.

If you have any questions, please feel free to give me a call at 408-749-2202.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Thomas M. McCoy".

Thomas M. McCoy
Executive Vice President,
Chief Administrative Officer

TMM/pom



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Honorable Mayor and Members of the Council
City of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94088

Re: Initiation of a General Plan Amendment and Zoning change for the property located on E. Duane Ave, Sunnyvale, adjacent to AMD's Corporate Headquarters.

Dear Honorable Mayor and Members of the Council,

AMD respectfully requests that the Sunnyvale City Council consider amending the General Plan and Zoning on the property adjacent to AMD's Corporate Headquarters building located at One AMD Place, as requested below.

Existing General Plan
Industrial

Proposed General Plan
Residential Medium Density

Existing Zoning
MS

Proposed Zoning
R-3-PD, - - -

AMD is currently under contract to sell the property upon successful completion of this general plan amendment and subsequent approval of the proposed development. We look forward to working together with the City of Sunnyvale to make this project a success. Thank you for your consideration, and if you have any questions please don't hesitate to call me at my office at (408) 749-3556.

Best regards,

A handwritten signature in black ink, appearing to be "R. Craig Garcia", written over a horizontal line.

Advanced Micro Devices
R. Craig Garcia
Director - Global Real Estate

Cc: Community Development Director